

**Opening Statement
Chairman Mark Souder**

**“FY 2007 Drug Control Budget and the Byrne Grant, HIDTA
and other law enforcement programs: Are we jeopardizing
Federal, state and local cooperation?”**

**Subcommittee on Criminal Justice, Drug Policy,
and Human Resources
Committee on Government Reform**

May 23, 2006

Good afternoon and thank you all for coming. This hearing is part of a series of oversight hearings regarding the President’s budget proposals for drug control programs and will focus on the President’s proposed changes in this area.

The Administration released its budget proposal for all Federal programs for fiscal year 2007 in February. One of the most significant policies reflected in that budget is a proposal to cut most Federal support for state and local drug enforcement. Among other things, the Administration has proposed terminating the state formula grants portion of the Byrne Grants to state and local law enforcement; reducing funding for the HIDTA program and transferring its remaining funds to the Justice Department’s Organized Crime Drug Enforcement Task Force (OCDETF) program; cutting the “Meth Hot Spots” program administered by the Justice Department’s Community Oriented Policing Services (COPS) office by more than 30 percent; and reducing funding for the Counterdrug Technology Assessment Center (CTAC) by 70 percent, while completely eliminating the Technology Transfer program.

The Subcommittee shares some of the Administration’s concerns about excessive or misdirected Federal support to local agencies. It is certainly true that Federal dollars should not be spent on purely local concerns in the form of “pork barrel” funding. Rather, they should be tied to clear national priorities. Similarly, Congress must be careful not to make state and local agencies too dependent on Federal dollars, as these agencies must remain under the control of and responsive to the needs of state and local taxpayers. State and local governments have a responsibility to fund their own counter-narcotics efforts.

Yet it does not follow that all Federal assistance to state and local agencies lacks national impact. State and local law enforcement personnel are fighting on the “front lines” in the struggle to stop drug trafficking. They make over 90 percent of drug-related arrests and seizures and have a wealth of intelligence that could be very valuable if shared with federal authorities. Federal assistance to these agencies can have a major positive impact by involving them in the national goals of enforcement, treatment and prevention. Rather than simply cutting the programs, the proper solution is to propose reforms.

We hope at this hearing to address these broader issues and to review the Administration’s specific proposals for certain key programs.

First among them is the HIDTA program. This program was created in 1990 to help reduce the nation's overall supply of illegal drugs by bringing together Federal, state and local law enforcement agencies in the most significant regions (each referred to as a "HIDTA") where drugs are created, smuggled or distributed. Under current law, the Director of ONDCP may designate certain areas as "HIDTAs", making them eligible for federal funding. That funding is administered locally by an executive board made up of equal representation of Federal agencies on one side, and state and local agencies on the other.

As the program's budget has grown – from only \$25 million at its inception to \$227 million in fiscal year 2006 – the number of designated regions has grown as well. From the initial five HIDTAs in 1990, the program has expanded to 28 HIDTAs, and pressure remains in Congress to create even more of them.

As the program has expanded, its focus has frequently drifted from activities that are truly targeted at the national supply of drugs to activities with a primarily regional or local impact. Congress itself has exacerbated the problem by refusing to allow ONDCP sufficient discretion over the program's budget. For many years, appropriations bills have forbidden ONDCP from funding any HIDTA at below its previous year's level – effectively locking in about \$206 million of its budget. ONDCP has had true discretion over less than 10 percent of the program's funds.

Faced with these difficulties, the Administration has come up with two proposals: 1) to cut the program's budget from fiscal year 2006's enacted level of \$227 million to \$208 million; 2) to transfer the HIDTA program from ONDCP to the Organized Crime Drug Enforcement Task Force (OCDETF), a Department of Justice program. If enacted, this latter proposal would effectively terminate the current HIDTA program.

The Subcommittee agrees with the Administration that the HIDTA program is in need of some reform. The Administration's proposal, however, is premature, too sweeping and hardly responsive to the program's needs.

First, the program cannot and should not be transferred in whole or in part to OCDETF without *authorizing* legislation. Such legislation is needed to define the goals of the program and the means of its implementation.

Second, the Subcommittee is troubled by the serious disruption of drug enforcement activities in the individual HIDTAs that this sweeping proposal would create, at least in the short term. It would be most inadvisable for the federal government to take action that drives away state and local collaboration. The Subcommittee will, however, carefully study the Administration's proposal as details become available.

Today's hearing will also review the CTAC program, which was established in 1990 to oversee and coordinate the federal government's anti-drug research and development. The Administration is requesting only \$9.6 million for the CTAC program, a steep decline from the \$30 million requested for fiscal year 2006 and the \$29.7 million appropriated by Congress. The proposed decreases would cut the research program from \$14 million to \$9.6 million while completely eliminating the Technology Transfer Program.

The program is certainly in need of greater direction and oversight. ONDCP has not yet demonstrated that the Technology Transfer Program supports national goals in reducing overall drug trafficking and improving interagency communication and cooperation. Such dramatic cuts, however,

do not amount to reform. As with HIDTA, the Subcommittee intends to review the CTAC program and its future as it continues its oversight of ONDCP.

The Subcommittee has concerns about the proposed reduction in the COPS Meth Hot Spots, dedicated to law enforcement activities against methamphetamine trafficking. Methamphetamine abuse has ravaged communities across the United States and put severe strains on state and local enforcement agencies forced to find clandestine drug labs, clean up the environmental damage they create and arrest the drug traffickers who operate them. To assist these overburdened agencies, Congress approved \$52.6 million in fiscal year 2005 and \$63.6 million in fiscal year 2006.

The Administration is requesting only \$40.1 million for fiscal year 2007, a cut of more than 30 percent from appropriated funds for 2006. This would greatly reduce the ability of State and local law enforcement agencies to help their Federal partners in reducing methamphetamine abuse, particularly given the proposed overall reduction in State and local law enforcement assistance grants.

The Subcommittee also has serious concerns about the Administration's proposal to terminate the state grants component of the Edward Byrne Memorial Justice Assistance Grant program. Congress already complied with the Administration's request to consolidate previously separate grant programs into the single Byrne Grants program. The Administration now proposes to eliminate the \$416.5 million that Congress appropriated last year for the Byrne Grants and to restrict federal aid to a series of enumerated grants (most of which are previously existing programs) under a "Justice Assistance" account. In practice, this will sharply limit the amount of money available to help state and local agencies.

The Subcommittee shares the Administration's concerns about excessive Federal subsidization of state and local law enforcement. The Administration's proposed cuts, however, would create massive shortfalls in the budgets of state and local law enforcement agencies across the country. I believe that the Administration should instead propose reforms, where needed, to some of the Federal government's assistance grants.

We have quite a mix of witnesses with us today, and we would especially like to welcome all the representatives of Federal, state and local law enforcement community who are joining us. From the Department of Justice on our first panel we will hear from Regina Schofield, Assistant Attorney General at the Office of Justice Programs who will discuss the Byrne Grants, COPS and similar justice assistance programs, and Stuart Nash, Associate Deputy Attorney General and Director of OCDETF, who will discuss the proposed transfer and restructuring of the HIDTA program. We will also hear from Scott Burns, ONDCP Deputy Director for State and Local Affairs.

The second panel will give us the state and local perspective. We welcome Ron Brooks, President of the National Narcotics Officers' Associations Coalition and Director of the Northern California HIDTA; Tom Carr, the Director of Washington-Baltimore HIDTA; Tom Donahue, the Director of the Chicago HIDTA; Abraham Azzam, Director of the Southeast Michigan HIDTA; and John Burke, Director of Southwest Ohio Regional Drug Task Force (SWORD).

Before we get started, I should note that congratulations are in order to one of our witnesses. We got word last week that Tom Carr's wife recently gave birth to a baby boy, Taggart Hunter Carr. That's wonderful news, and we are all happy for you and your family.

Again, thank you all for coming from so many places across the country to be here today. We very much look forward to your testimony.